

TAG Immobilien AG
Hamburg
ISIN DE 0008303504 – WKN 830350

We hereby invite our shareholders to the **extraordinary shareholder meeting** taking place at **10:00 am on Thursday, 7 April 2011** at Haus der Patriotischen Gesellschaft, Trostbrücke 6, 20457 Hamburg.

I.
Agenda

1. Resolution to approve a cash share capital issue

The Company plans to execute a further share capital issue to finance its continued growth strategy, particularly the acquisition of real estate portfolios and shares in real estate companies, in view of the continued interest on the part of numerous investors in buying the Company's shares.

The Management Board and Supervisory Board recommend that the shareholders pass the following resolution:

- a) the Company's share capital is to be increased from a current EUR 58,566,364.00 by up to EUR 5,856,636.00 to up to EUR 64,423,000.00 on a cash basis through the issue of up to 5,856,636 new bearer shares with a nominal share of EUR 1.00 each in the Company's share capital.

The new shares are to be issued at a price of EUR 1.00 each. The subscription price will be determined by the Management Board acting with the approval of the Supervisory Board and may be no less than EUR 7.00 per share. It is also possible for the subscription price to be determined during the subscription period in accordance with Section 186 (2) Sentence 2 of the German Stock Corporation Act. The new shares will be fully dividend-entitled from 1 January 2011.

Pre-emptive subscription rights as provided for by law will be granted to the shareholders in that the new shares may be subscribed to by one or more banks at an issue price of EUR 1.00 each and delivery of such new shares accepted on condition that they are offered to the shareholders for subscription at a subscription price to be determined by the Management Board acting

with the approval of the Supervisory Board in a ratio of one for ten and on condition that the additional proceeds - net of commission of a reasonable amount and costs - are remitted to the Company. One shareholder has waived the pre-emptive subscription right with respect to four shares so as to ensure an even subscription ratio of one for ten. The subscription period will have a duration of two weeks.

- b) The Management Board acting with the approval of the Supervisory Board is authorised to finalise all further details of the share capital issue and its execution.

This resolution approving the execution of a share capital issue will be rendered void if the execution of the share capital issue is not entered in the commercial register by the end of the day on 31 August 2011. If an approval process is required for the entry or the execution of the share capital issue in accordance with Section 246a of the Stock Corporation Act, this resolution approving the execution of a share capital issue will not be deemed void until the expiry of a period of three months after the conclusion of the release process in the commercial register.

- c) The Supervisory Board is authorised to adjust the wording of Article 4 (1) and (2) of the Articles of Incorporation (Share Capital) to reflect the execution of the share capital issue.

2. Resolution to create new Authorised Capital 2011/I, to exclude pre-emptive subscription rights and to amend the Articles of Incorporation accordingly

In a resolution passed by the shareholders at the annual general meeting held on 25 June 2010, the Management Board was authorised subject to the Supervisory Board's approval to increase the Company's share capital once or repeatedly on or before 24 June 2015 on a cash and/or non-cash basis by a maximum amount of EUR 18,000,000.00 by issuing up to 18,000,000 new bearer shares in the Company's capital. On 14 October 2010 and 15 November 2010, the Management Board passed resolutions, which were duly approved by the Supervisory Board on the same day, to make full use of the aforementioned authorisation.

As the authorisation granted on 25 June 2010 (Authorised Capital 2010/I) has been utilised in full, new Authorised Capital 2011/I of EUR 25,000,000.00 is to be created so that the Management Board is still able in the future to continue using authorised capital to execute share capital issues at short notice in order to reinforce the Company's equity base so that it is in a position to make use of favourable opportunities in the capital market to fund a cash share capital issue and opportunities for acquisitions arising in the market for a non-cash share capital issue. The amount of the Authorised Capital 2011/I equals roughly 39 percent of the Company's share capital including full execution of the share

capital issue referred to in Item 1 of the agenda on which a shareholder resolution is required.

The Management Board and Supervisory Board recommend that the shareholders pass the following resolution:

- a) The Management Board is authorised subject to the Supervisory Board's approval to increase the share capital once or repeatedly on or before 6 April 2016 on a cash and/or non-cash basis by a maximum amount of EUR 25,000,000.00 by issuing up to 25,000,000 new bearer shares in the Company's capital.

As a matter of principle, the new shares will be offered to the shareholders for subscription; they may also be transferred to one or more banks subject to the obligation that they be offered to the shareholders for subscription. However, the Management Board is authorised to exclude the shareholders' statutory subscription rights subject to the Supervisory Board's approval in the following cases:

- (1) as far as this is necessary to eliminate fractional amounts;
- (2) as far as this is necessary to grant the holders of the conversion and/or option rights subscription rights to the same extent as the subscription rights to which they are entitled after the exercise of their conversion and option rights or the settlement of the conversion and/or option obligations.
- (3) to acquire real estate, real estate portfolios, enterprises, parts of enterprises or interests in enterprises or other assets through the issue of shares in appropriate individual cases (non-cash share capital issue);
- (4) to the extent to which the new shares for which pre-emptive subscription rights are excluded do not exceed a total of ten percent of the Company's share capital and the issue price of the new shares is not significantly lower than the price of the same class of the Company's shares within the meaning of Sections 203 (1) and (2) and 186 (3) Sentence 4 of the German Stock Corporation Act both on the date on which the authorisation takes effect and on the date on which it is exercised. The limit of ten percent of the share capital shall also include the prorated amount of the share capital attributable to shares which are sold subject to the exclusion of the shareholders' pre-emptive subscription rights in accordance with Sections 71 (1), No. 8, Sentence 5 and 186 (3) Sentence 4 of the German Stock Corporation Act during the term of this authorisation. The limit of ten percent of the share capital shall additionally include the prorated amount of the share capital required for the settlement of any obligations under convertible or option bonds issued

subject to the exclusion of the shareholders' subscription rights in accordance with Sections 221 (4) Sentence 2 and 186 (3) Sentence 4 of the German Stock Corporation Act during the term of this authorisation.

The proportionate value of the share capital attributable to the new shares for which pre-emptive subscription rights are excluded in accordance with Paragraphs (1) - (4) above may not exceed a total of twenty percent of the Company's share capital on both the date on which the authorisation takes effect and on the date on which it is exercised.

In all other matters, the Management Board acting with the approval of the Supervisory Board shall make decisions on the issue of new shares, the nature of the rights attached to such shares and the conditions of such issue.

The Supervisory Board is authorised to adjust the wording of the articles of incorporation to reflect the share capital issue executed using authorised capital.

- b) Article 4 of the Articles of Incorporation is extended with the inclusion of a Paragraph 8, which reads as follows:

“The Management Board is authorised subject to the Supervisory Board's approval to increase the share capital once or repeatedly on or before 6 April 2016 on a cash and/or non-cash basis by a maximum amount of EUR 25,000,000.00 by issuing up to 25,000,000 new bearer shares in the Company's capital.

As a matter of principle, the new shares will be offered to the shareholders for subscription; they may also be transferred to one or more banks subject to the obligation that they be offered to the shareholders for subscription. However, the Management Board is authorised to exclude the shareholders' statutory subscription rights subject to the Supervisory Board's approval in the following cases:

- (1) as far as this is necessary to eliminate fractional amounts;
- (2) as far as this is necessary to grant the holders of the conversion and/or option rights subscription rights to the same extent as the subscription rights to which they are entitled after the exercise of their conversion and option rights or the settlement of the conversion and/or option obligations.
- (3) to acquire real estate, real estate portfolios, enterprises, parts of enterprises or interests in enterprises or other assets through the issue of shares in appropriate individual cases (non-cash share capital issue);

- (4) to the extent to which the new shares for which pre-emptive subscription rights are excluded do not exceed a total of ten percent of the Company's share capital and the issue price of the new shares is not significantly lower than the price of the same class of the Company's shares within the meaning of Sections 203 (1) and (2) and 186 (3) Sentence 4 of the German Stock Corporation Act both on the date on which the authorisation takes effect and on the date on which it is exercised. The limit of ten percent of the share capital shall also include the prorated amount of the share capital attributable to shares which are sold subject to the exclusion of the shareholders' pre-emptive subscription rights in accordance with Sections 71 (1), No. 8, Sentence 5 and 186 (3) Sentence 4 of the German Stock Corporation Act during the term of this authorisation. The limit of ten percent of the share capital shall additionally include the prorated amount of the share capital required for the settlement of any obligations under convertible or option bonds issued subject to the exclusion of the shareholders' subscription rights in accordance with Sections 221 (4) Sentence 2 and 186 (3) Sentence 4 of the German Stock Corporation Act during the term of this authorisation.

The proportionate value of the share capital attributable to the new shares for which pre-emptive subscription rights are excluded in accordance with Paragraphs (1) - (4) above may not exceed a total of twenty percent of the Company's share capital on both the date on which the authorisation takes effect and on the date on which it is exercised.

In all other matters, the Management Board acting with the approval of the Supervisory Board shall make decisions on the issue of new shares, the nature of the rights attached to such shares and the conditions of such issue.

The Supervisory Board is authorised to adjust the wording of the articles of incorporation to reflect the share capital issue executed using authorised capital."

The Management Board is required pursuant to Sections 203 (2) Sentence 2 and 186 (4) Sentence 2 of the German Stock Corporation Act to submit a written report explaining the reasons for the exclusion of the pre-emptive subscription rights. The contents of such report are disclosed in Part II of this invitation to the extraordinary shareholder meeting.

II.

Report by the Management Board to the shareholders

Report by the Management Board to the shareholders on Item 2 of the Agenda in accordance with Sections 203 (2), Sentence 2 and 186 (4) Sentence 2 of the German Stock Corporation Act

In Item 2 of the agenda, the Management Board and the Supervisory Board propose that new authorised capital 2011/I of EUR 25,000,000.00 be created.

With this authorisation to create new authorised capital equalling around 39 percent of the Company's share capital in the amount arising upon the entry in the commercial register of the share capital issue executed in accordance with the resolution referred to in Item 1 of the Agenda, the Management Board will obtain a flexible instrument for structuring the Company's funding. With the proposed authorised capital, the Management Board will also be able to continue raising the capital required for the Company's continued development in the short term by issuing new shares on a cash basis and making use of favourable market conditions for covering future financial requirements without delay. In addition, the Management Board will be able to make use of opportunities for acquisitions arising in the market for a non-cash share capital issue.

The Management Board is to be authorised to exclude the shareholders' pre-emptive subscription rights for any fractional amounts. In this way, it will be possible to set simple and practicable subscription ratios in connection with future share capital issues. Fractional amounts arise when it is not possible to distribute all new shares evenly to shareholders on account of the subscription ratio or the amount of the share capital issue. Fractional amounts are of subordinate importance in the light of the total value of the share capital issue. Accordingly, the disadvantages for the shareholders as a result of the exclusion of pre-emptive subscription rights for fractional amounts are negligible in the light of the procedural advantages.

In addition, the Management Board is to be given the option of excluding the shareholders' pre-emptive subscription rights subject to the Supervisory Board's approval in order to grant subscription rights to the holders of the conversion and/or option rights and of conversion and/or option obligations to the same extent as the subscription rights to which they are entitled after the exercise of their conversion and/or option rights or settlement of the conversion and/or option obligations. This aims to prevent a situation in which in the event of authorisation being utilised the conversion or option price is reduced for the holders of existing conversion and/or option rights and/or corresponding obligations under the option and conversion terms and conditions or the Company is required to provide some other protection from dilution. Bonds must exhibit such protection from dilution to facilitate placement in the capital market. This protection is provided by granting the holders of bonds in connection with ensuing share capital issues a subscription or conversion right with respect to new shares equivalent to that accruing to shareholders. This ensures that holders of bonds are placed in the position which they would have if they were already shareholders. The shareholders' pre-emptive subscription rights to such shares must be excluded to ensure that the bonds receive the necessary protection from dilution. This facilitates the placement of the bonds and thus serves the shareholders' interest in ensuring an optimum financial structure for the Company. In addition, the exclusion of pre-emptive subscription rights in favour of the holders of bonds granting an option and/or conversion right or giving rise to an option and/or conversion obligation offers a further advantage in that if the authorisation is utilised, the

option or conversion price for the holders of existing bonds granting an option and/or conversion right or giving rise to an option and/or conversion obligation does not have to be reduced in accordance with the applicable terms and conditions of the bond. This permits a greater inflow of funds and is thus in the interests of the Company and its shareholders.

In addition, the Management Board is to be authorised to acquire real estate, real estate portfolios, enterprises, parts of enterprises or interests in enterprises or other assets from third parties by issuing shares. This will substantially heighten the Management Board's flexibility in competition with others as the consideration rendered for the acquisition of business entities and interests is increasingly taking the form of shares issued by the acquiring party. In the case of major real estate portfolios or corporate units in particular, the Company would not be able to provide the contractual consideration in cash form without exerting undue pressure on the Company's liquidity or raising an unreasonable volume of debt. To ensure that such transactions which are required to further the Company's growth strategy can be implemented in the future, it is necessary for the utilisation of authorised capital to be linked with the exclusion of the shareholders' pre-emptive subscription rights. If any new shares are issued as consideration for the acquisition of real estate, real estate portfolios, all or part of other enterprises or business entities or other assets, this is possible only if the current shareholders' pre-emptive subscription rights are excluded. In such cases, the Management Board is therefore to be authorised to exclude the pre-emptive subscription rights. The authorisation sought here is being requested on a solely precautionary basis. There are currently no specific plans to utilise this authorisation.

Finally, Sections 203 (1) and (2) and 186 (3) Sentence 4 of the German Stock Corporation Act permit the exclusion of pre-emptive subscription rights if the new shares for which the pre-emptive subscription rights are to be excluded do not account for more than ten percent of the Company's share capital both on the date on which the authorisation takes effect and on the date on which it is exercised and the issue price of the new shares is not materially less than the price at which the Company's shares are trading in the stock market. In this way, the Company's Management Board is able to make use of favourable conditions in the stock market at short notice and thus strengthen the Company's equity base to the greatest possible extent. Experience suggests that by excluding subscription rights it is possible to react substantially more swiftly, something which in turn results in a greater cash inflow than a comparable share capital issue with subscription rights. In addition, access to new investor groups can be gained by excluding subscription rights. It should also be noted that the limit of ten percent of the Company's share capital also includes any treasury stock sold by the Company in cases in which the subscription rights have also been excluded in accordance with Section 186 (3) Sentence 4 of the Stock Corporation Act. The limit of ten percent of the share capital additionally includes shares which must be issued for the settlement of any obligations under convertible or option bonds issued subject to the exclusion of the shareholders' pre-emptive subscription rights in accordance with Sections 221 (4) Sentence 2 and 186 (3) Sentence 4 of the German Stock Corporation Act during the term of this authorisation. The cap of

ten percent of the share capital will reduce to the greatest possible extent the dilution effects for the shareholders whose subscription rights have been excluded. Given the limited size of the share capital issue, the shareholders concerned can restore their share quotas by buying additional shares in the stock markets and, hence, under normal market conditions. The shareholders' financial interests are protected by the fact that the shares coming within the scope of this authorisation may only be issued at a price which is not materially lower than the price at which the Company's listed stock of the same class is trading. In addition, the Management Board is obliged to determine the value of the shares solely in the light of the interests of the Company and its shareholders.

In connection with all possibilities for excluding the shareholders' pre-emptive subscription rights, the proportionate value of the share capital attributable to the new shares for which pre-emptive subscription rights are excluded may not exceed a total of twenty percent of the Company's share capital on both the date on which the authorisation takes effect and on the date on which it is exercised. This will avoid excessive dilution of the previous shareholders' holdings.

The Management Board will consider the individual circumstances carefully before deciding on whether to make use of the authorisation and will do so only if it considers such utilisation to be in the legitimate interests of the Company and, hence, of its shareholders.

III. Further information

1. Conditions for participation and exercising voting rights

Shareholders wishing to attend the shareholder meeting or to exercise their voting rights must register and provide proof of their eligibility. The registration form and proof of eligibility must be lodged with the Company by no later than 31 March 2011 at the following address:

Bankhaus Gebr. Martin AG
Kirchstraße 35
73033 Göppingen
Telefax: +49 7161 969317
E-Mail: info@martinbank.de

Registration and proof of eligibility must be submitted in German or English. Written confirmation by the custodian bank holding the shares issued by the Company constitutes sufficient proof of eligibility. Proof of shares not held on a collective basis may also be provided in the form of a certificate issued by the Company, a notary or a bank within the European Union upon the shares being lodged with the Company or such bank or notary. Proof of holdership of shares must valid as of 0:00 hours on 17 March 2011 (date of proof).

2. Significance of the date of proof

For the purpose of relations with the Company, only those persons who have provided proof that they hold shares in the Company's share capital may attend the shareholder meeting and exercise voting rights. Entitlement to attend the shareholder meeting and the extent to which voting rights may be exercised shall be determined solely on the basis of the shares held by the shareholder on the date of proof. The date of proof does not entail any block on the sale of the shares. Notwithstanding the fact that the shares may have been sold in full or in part after the date of proof, the shares held by the shareholder on the date of proof are solely decisive for determining the shareholders' eligibility to attend the shareholder meeting and to exercise voting rights. In other words, the sale of shares after the date of proof does not have any effect on eligibility to attend the shareholder meeting and to exercise voting rights. This applies equally if shares are acquired after the date of proof. Persons who do not own any shares on the date of proof and acquire them only at a later date are only eligible to attend the shareholder meeting and exercise voting rights if they are duly authorised to do so. The date of proof does not have any relevance for determining dividend entitlement.

3. Proxy voting

Shareholders may also exercise their voting rights by proxy, e.g. through a bank or shareholder association. If a shareholder authorises more than one person to represent him, the Company may reject one or more of these. Proxies, the revocation of proxies and proof of authorisation must be served on the Company in text form. If a bank or equivalent entity as defined Section 135 (10) of the German Stock Corporation Act in connection with Section 125 (5) of the German Stock Corporation Act, a shareholder association or a person coming within the definition contained in Section 135 (8) of the German Stock Corporation Act are designated as a voting proxy, alternative rules may apply, information on which can be obtained from such designated proxy.

Shareholders wishing to designate a proxy may use the form sent to duly registered persons together with the admission ticket. Further information will be sent to the shareholders together with the admission ticket.

Proof that a proxy has been designated can also be served on the Company via the following e-mail address:

ir@tag-ag.com

The Company offers to designate proxies, who will exercise voting rights in accordance with shareholders' specific instructions, prior to the shareholder meeting. The voting proxy holders will exercise the voting rights solely in accordance with the instructions issued by the shareholder. The authorisation granted

to the voting proxy holders designated by the Company and the voting instructions must be in text form. The form which may be used to designate proxies and issue voting instructions will be sent to shareholders together with the admission ticket to the shareholder meeting. Further information will be sent to the shareholders together with the admission ticket.

The registration form and proof of eligibility to attend the shareholder meeting must also be lodged within the specified period notwithstanding the nomination of a proxy. This does not exclude the possibility of designating a proxy after the registration form and proof of eligibility have been lodged.

4. Shareholders' rights in accordance with Sections 122 (2), 126 (1) and 131 (1) of the German Stock Corporation Act

Request for additions to the agenda in accordance with Section 122 (2) of the Germany Stock Corporation Act

Shareholders whose shares jointly equal one twentieth of the Company's share capital (equivalent to 2,928,319 shares) or a prorated amount of EUR 500,000 in the Company's share capital (equivalent to 500,000 shares) may in accordance with Section 122 (2) of the German Stock Corporation Act request that items be placed on the agenda and announced accordingly. Each new item must be accompanied by an explanation or a motion.

Requests for additions to the agenda must be served on the Company in writing no later than 30 days before the date of the shareholder meeting not including the date of service and the date of the shareholder meeting. Accordingly, the final date for serving any such requests on the Company is 7 March 2011 (24:00 hours). No requests received after that date will be accepted.

The applicants must prove that they have held the minimum requested number of shares for at least three months prior to the date of the shareholder meeting (Section 142 (2) Sentence 2 in connection with Section 122 (1) Sentence 3 (2) Sentence 1 of the German Stock Corporation Act).

Requests for additions to the agenda must be served on the Company at the following address:

TAG Immobilien AG
- The Management Board-
Steckelhörn 5
20457 Hamburg

Counter motions by shareholders in accordance with Section 126 (1) of the German Stock Corporation Act.

Shareholders may submit to the Company counter motions for the proposals made by the Management Board and the Supervisory Board.

Counter motions and proposals which are received no later than 14 days before the date of the shareholder meeting not including the date of service and the date of the shareholder meeting, i.e. those which are served on the Company by no later than 24:00 hours on 23 March 2011, and which are required to be made available will be duly disclosed to the other shareholders without delay, stating the name of the shareholder and the reasons on the Internet at **www.tag-ag.com/investor-relations/hauptversammlung**. Any comments by the management will also be published there.

Counter motions must be served on the Company at the following address:

TAG Immobilien AG
Investor Relations
Steckelhörn 5
20457 Hamburg
Telefax: + 49 40 380 32-390
E-Mail: ir@tag-ag.com

Counter motions sent to any other address will not be accepted.

The shareholders' right to submit voting proposals and to make such proposals known to the other shareholders under certain circumstances in accordance with Section 127 of the German Stock Corporation Act applies only if provision is made for such voting proposals in the agenda. That is not the case here.

Shareholders' right to request information in accordance with Section 131 (1) of the German Stock Corporation Act

Each shareholder is entitled to request from the Management Board information on the Company's affairs at the shareholder meeting to the extent that such information is required for a reasonable assessment of the subject matter of the agenda. This duty to provide information also includes details of the Company's legal and business relations with an affiliated company.

Further information on the rights conferred on the shareholders under Section 121 (3) Sentence 3 No. 3 of the German Stock Corporation Act can be found on the Company's website at **www.tag-ag.com/investor-relations/hauptversammlung**.

5. Documents on shareholder meeting and information provided in accordance with Section 124a of the German Stock Corporation Act

The documents to be made available to the shareholders as well as any other information stipulated by Section 124a of the German Stock Corporation Act will be available on the Company's website at **www.tag-ag.com/investor-relations/hauptversammlung** immediately after the shareholder meeting has been convened.

The documents to be made available are also available at the offices of TAG Immobilien AG, Steckelhörn 5, 20457 Hamburg, and during the shareholder meeting for inspection by the shareholders. On request, copies of the documents will be sent to each shareholder free of charge and without delay.

IV.

Total number of shares and voting rights

In accordance with Section 30b (1) Sentence 1 No. 1 of the German Securities Trading Act, we hereby state that the Company has share capital of EUR 58,566,364.00 as of the date of the invitation to the extraordinary shareholder meeting. It is divided into 58,566,364 shares with the same number of voting rights. As of the date of this invitation, the Company does not hold any treasury stock.

Hamburg, February 2011

TAG Immobilien AG

The Management Board